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**AN ALTERNATIVE STRATEGY IN FIGHTING
COCAINE TRAFFICKING IN BOLIVIA**

BY

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USAWC STRATEGY RESEARCH PROJECT

AN ALTERNATIVE STRATEGY IN FIGHTING COCAINE TRAFFICKING IN BOLIVIA

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The views expressed in this academic research paper are those of the author and do not necessarily reflect the official policy or position of the U.S. Government, the Department of Defense, or any of its agencies.

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ABSTRACT

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This is a study of the coca culture and its relationship to the problem of cocaine production. It addresses the use of the coca leaf since the ancient culture of the Inca Empire. It also provides a thorough discussion of the origin of cocaine. It analyzes the current trafficking problem and how the Bolivian government met with success in its eradication efforts by implementing the Plan "With Dignity". However the study looks for a new alternative for the future. The traditional ways to fight based in eradication and interdiction have had little results in reducing the trafficking of cocaine. The market for coca leaves has shifted to the areas where agriculture of coca crops is legal; therefore cocaine production will continue to create problems for the Bolivian and United States governments. There is a new alternative strategy where the center of gravity is the Economic Instrument of national power. By applying the basic principles of economy, the intent is to control the supply of drugs through the taxation. Taxation will reduce the demand and thereby reduce effectively the amount of coca crops. Also the project addresses the problem of corruption and how United States of America could help to discourage farmers from the production of coca crops.

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PREFACE

Grand Strategy belongs to the National level, because we analyze National Interest and the way to attain those National Interests. The drug problem has two effects. One is the social effect that involves the moral of the society and the special risk for young people to become users. The second effect is on the economy since this illegal activity is corrupting and involves moving a lot of money by illegal laundering.

Today the war of drugs is a success in Peru and Bolivia. The main goal in these countries was to reduce the demand by the eradication process of the coca crops. Despite the success in eradication, the production of cocaine is still there, because the eradication was oriented only to the illegal coca crops, and not to the legal coca crops. The number of peasant in Bolivia who work in the agriculture of coca crops is not more than 80.000; some people believe that it is 350.000. If we consider that the total population of Bolivia is around 7,000, 000; the 350.000 peasants represent only 5% of the total population. Each State should develop policies based on the desires of the majority. The large population of Bolivia does not have the old culture of chewing coca leaves and their subsistence is not related to the economy of the coca crop production. However the Bolivian State does not analyze this issue, and therefore does not have data about how much coca crops are needed to satisfy the internal demand for domestic use in the Bolivian society.

As far as we understand this is an economic issue and should be faced in the same way. In other words is the economic instrument of the National Power that is going to solve the problem and the other instruments are just a support.

This is a research paper on the issue of the coca culture in Bolivia. Based on that research is an analysis of the current issues in fighting the traffic of cocaine in Bolivia, especially those that do not allow the elimination of the traffic of cocaine.

Under the present perspective the author has designed a new strategy as an alternative that links the four instruments of National Power: Political, economic, military and informational. The core of this strategy is the economic instrument.

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AN ALTERNATIVE STRATEGY IN FIGHTING COCAINE TRAFFICKING IN BOLIVIA

HISTORY OF COCA LEAF AND COCAINE AND THE CURRENT ISSUES IN THE WAR ON DRUGS IN BOLIVIA

Bolivia was the second largest producer of coca leaves in the world until 1998. After two years of the Bolivian plan "With Dignity" Bolivia descended to third place in coca production after Colombia and Peru. There are three growing areas, Yungas and Apolo, located in La Paz and Chapare in Cochabamba. In July 22, 1988 a narcotics law No 1008 was established by the Bolivian congress. The law established legal, transitional and illegal zones of cultivation and declared that 12,000 hectares of coca would be the amount grown to meet the traditional demand for coca.¹ Illegal coca bushes are defined as those planted since 1998, in areas where international traffickers operate.

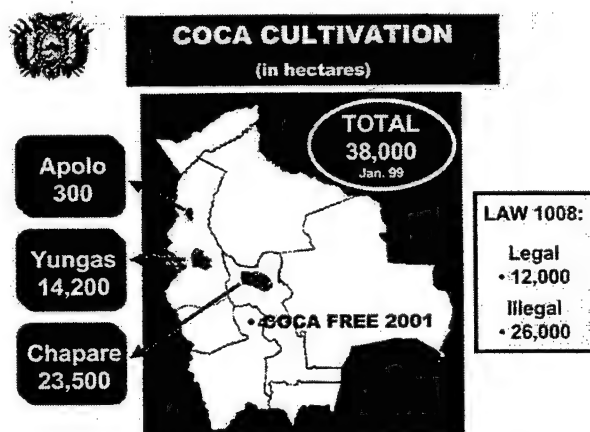


FIGURE 1 BOLIVIAN CULTIVATION AREAS OF COCA LEAVES

Coca plants, beneficial to society when used legally and harmful to society when used illegally, have become a lucrative cash crop, causing a dilemma of great magnitude between the eradication programs on the one hand and an increase of using legal farmer production for illegal purposes on the other hand. To control illegal uses of coca leaves is not easy. Therefore it is necessary to develop a new strategy, this will allow to the

Bolivian government to control legal coca crop cultivation and the final destination. Accordingly with the single convention on Narcotics Drugs 1961 states:

The parties shall furnish separately estimates (article 19) and statistical information (article 20) in respect to coca leaves for preparation as a flavoring agent, except to the extent, that the same coca leaves are used for the extraction of alkaloids as so explained in the estimates and statistical information.²

The definition for "legal coca bushes" is unclear. A definition of legal coca leaves is linked with the Indian's culture. This means that the use of coca leaves in Bolivia is legal as far as it refers to domestic uses. No institution has determined the real amount of coca leaves that the Bolivians need every year for

domestic use. There is no data on how many legal tons of coca leaves; the "cocaleros" are getting every year. There is no law for domestic use of coca leaves. In other words, every body is able to buy coca leaves on the street, to drink coca tea in a restaurant and now to get products made of coca leaves (tooth paste, chewing gum, etc.). However, it is difficult to believe that the whole 12,000 hectares of legal coca leaves are being used in the national industry and domestic uses.

Eradication was the main activity to reduce illegal drug traffic activity. In 1998, Bolivia eradication exceeded expectations. Even though eradication was the main objective to reduce Narco-traffic activity, it was not reached, since the production of cocaine increased. "Bolivia is making history," said Donna Rhinak, the American ambassador in La Paz.³ CIA satellite surveys indicate that last year Bolivia eradicated coca from 25 percent of the land where it was grown in the Chapare, a region that supplies 90 percent of the country's illicit exports.

Human beings have always been consumers of drugs since primitive times. 5000 B. C. Sumerian tablets speak of an herb called "the joy plant." Opium is known in Mesopotamia and Assyrian medical texts mention it.⁴ Coca leaves were used first in the Inca culture. They used them in religious ceremonies, in predictions of the future and in order to cure some diseases. But they weren't eaten in the ceremonies.⁵ We can speculate that there are many reasons to believe why the upper class of the Inca society allowed the use coca leaves only to the people involved in the ritual ceremonies. The Inca's upper class was wise about the use of coca leaves. When the Spanish conquistadores, early in the sixteenth century, first encountered the empire of the Incas they found that the Emperor himself -the Inca- controlled the use of a remarkable drug contained in the leaves of a mountain shrub now known as *Erythroxylon coca*.⁶ They established a law that prohibited the consumption of coca leaves to all citizens. Dr. P. Blejer explained in the Canadian Medical Association Journal for September 25, 1965, "it was the right to chew coca leaf, which was prized far above the richest presents of silver or gold". Priests and supplicants were allowed to approach the altar of the Inca only if they had coca leaf in their mouths.⁷ Traditionally women were only allowed to use coca at three opportunities: the night of marriage, the birth of a baby, and when she became a widow. For production reasons the Incas organized their society by stages. Only part of the male population was involved in growing coca bushes. Those men were allowed to chew coca leaves. As we understand it coca leaves was not part of the Inca culture.

When the Spanish invaders came from Europe, they didn't know how to treat this plant. Amerigo Vespucci compared the coca users with chewing cows. It was illusory to forbid the use of coca. When the Spaniards found gold and silver they used the coca plant to motivate the work of Indians in the silver mines of Cerro Rico of Potosi City in Bolivia. The Spaniards made many Indians work in the silver mines. But the Indians were not eating properly; instead they chewed on coca leaves. The Indian miners say that they have extracted enough ore from this mountain to build a sterling -silver bridge from Potosi to Madrid.⁸ Providing Indian slaves with coca leaves allowed the Spaniards to have profitable silver mines. It produced so much silver ore and required the labor of so many Indian slaves that for a while Potosi was the largest city in America. It was the first real city of the New World, reaching 120,000 inhabitants by 1573 and 160,000 by 1650. Potosi rivaled such Old World cities as London and Paris in size.⁹

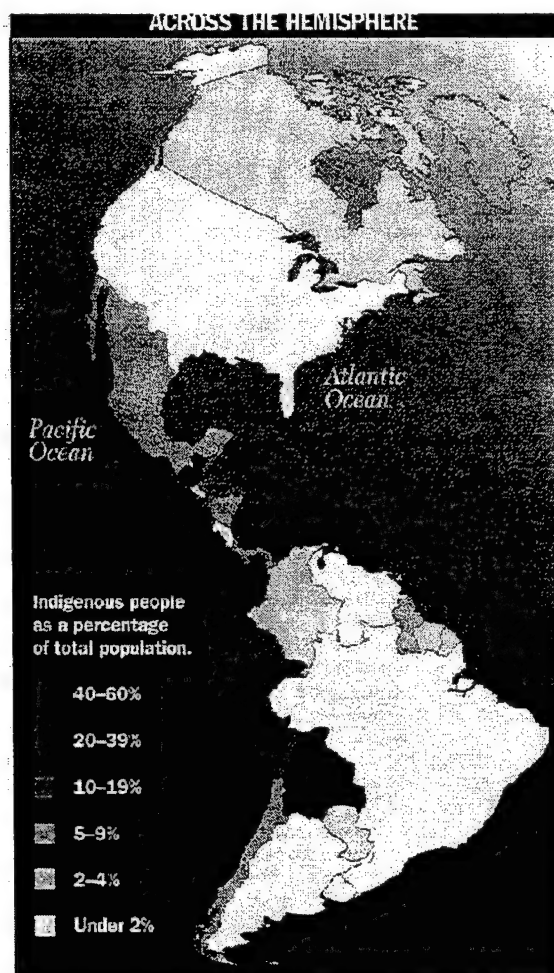


FIGURE 2 NATIVE INDIANS IN THE AMERICAS

From the mining era coca leaves became part of the Indians' culture. This is the only explanation as to how they could do such inhuman work. The Indians entered the mines on Monday morning and did not emerge again until Saturday. Each man had to chisel out his daily quota of one and a quarter tons of ore.¹⁰ The perfect combination of silver and coca leaves started the first coca boom; it was fueled by the European need for silver and by opening of the mines in Potosi. The slaves used to work without taking any breaks while they were chewing coca leaves. In reality the leaves aren't chewed but mixed with a catalyst of chalk or potash, and put into the cheek. The writer Eduardo Galeano named this system of genocide a machine of pulverization of human beings. Before getting to work, the Indians ate from their first ball of coca; it was simply cheap to give them coca than food. For this reason

chewing coca leaves became part of the Bolivian culture. Since coca was a good business the Spaniards set a tax on the production of coca leaves. The Spanish gained in three ways: through the sale of coca, the taxes on it, and through silver extract from the mines. The Spaniards supported their empire by taxing the Indians heavily; "ironically, some of these taxes had to be paid in coca leaves, a commodity in which the administration had a very profitable turnover."¹¹

Bolivia's population is around 7,000.000; almost 5,000.000 are Indians living in the rural area. Recently research has established that the number of people chewing coca leaves dropped from 80 % in 1980 to 14 % in 1997. This because the chewing of coca leaves is a sign of lower class. This social heritage comes from the Europeans; they thought that coca was a sign of cultural lag or racial inferiority.

There are around 250 species of coca plants. But only two of them, *Erythroxylum coca* and *E. Novogratense*; contain large amounts of cocaine ranging from 1 to 14 alkaloids. Additional ingredients are proteins, carbohydrates, iron, calcium, phosphorus, the vitamins A1, B2 and E that could be a very good supplement for the poor nutrition of Andean food. According to a Harvard University study, the nutritional value of coca, 100 grams of coca would be more than satisfy the recommended daily allowance of calcium, iron phosphorous, vitamin A, and riboflavin.¹² But the people who like to chew coca leaves do not swallow the leaves, but rather, spit out the leaves after two hours. For that reason Indians do not get the nutrient elements, since the main purpose of chewing coca mixed with ashes is to isolate the alkaloid. The name of the alkaloid is cocaine. Once the ashes isolate cocaine, which is basically carbon, other stomach acids will work more, improving in the isolation process. The World Health Organization and the UN's Inter-regional Crime and Justice Research Institute's Cocaine Project, maintain that coca users show none of the classic signs of addiction. In fact coca is not a major component of cocaine as only 0.5 per cent of the alkaloid cocaine is found in coca and 41 chemicals are needed to extract cocaine from the coca leaf.¹³ Therefore we can conclude that the Indians are chewing coca leaves to get the stimulant drug that excites the central nervous system, increasing alertness, decreasing fatigue, and delaying sleep. Some scientists believe that the traditional use of coca has been ranked as without any health risks. A clinical study conducted on about 40 Andean agriculturists, divided into one group of traditional users, the other on non-consumers, has shown that leaf-chewing does not contribute to any increase in physical abilities among chewers. It does indeed enable them to maintain a sustained effort for longer and

stimulates their respiratory system. The effect on endurance was, however, shown only in regular leaf-chewers, not occasional users. The enhanced resistance to physical effort is attributed to better cardiovascular circulation, to an action on the catecholamines (a type of physical neurotransmitter), and an increase in the red blood corpuscle count, factors, which together favor more efficient muscle oxygen uptake. Moreover, it has been observed that traditional chewing of coca leaves, considered by some as a food substitute, does not impair appetite. There is thus a real difference in dietary regime of chewers and non-chewers.¹⁴ In fact the Bolivian Indian's desire to quit chewing coca leaves is a result of the strong influence of the people who live in the cities. It is interesting to note that the Andean leaf-chewers do not appear to become addicted. On moving down to ordinary altitudes, many of them give up their coca without apparent hardships.¹⁵

In 1855, coca leaves started a new stage in history. Cocaine had been isolated in 1855 by the German Gaedeke, but it was Americans who pursued active experimentation.¹⁶ By this time a new illness appeared, it was known as neurosis. Today we know this illness by the name of depression or stress. Today this illness is known as "stress", since life became a contest within human beings. Morphine was the most common drug, popular not only to the civilian society but also to the military society. Addiction was so common among veterans of the civil war that it was called "Army disease".¹⁷

Sigmund Freud, who studied psychoanalysis as a method to treat psychology diseases, thought that the new illness of the human beings was a "neurosis". He said that the only way to reach goals is studying, and this will produce a neurosis. He was indeed one consumer of cocaine. "Young Viennese doctor named Sigmund Freud read in 1880." "In 1884, Freud first tried cocaine himself. It seemed the perfect antidote to his periodic depressions and lethargy. He also clearly thought it increased his sexual potency, writing to Martha Bergan, his fiancée:

Woe to you my princess, when I come I will kiss you quite red...and if you are forward you shall see who is the stronger, a gentle little girl... or a big wild man who has cocaine in his body"¹⁸

In 1889, Angelo Mariani an unknown chemist from Corsica, began making wine highly laced with the little known juice of the coca plant. It was indeed, a success all over Europe and was found at many a party in some of the highest circles. A marketing genius, Mairiani, specialized in testimonial from an

incredible array of notables, including Thomas Edison, Emile Zola, President William Mackinley, Queen Victoria, Sarah Bernahrt, Lillian Russell, Buffalo Bill Cody and three Popes.¹⁹

The reason why Mariani's wine became very popular is because most of those people were addicts to other drugs, mainly morphine. They believed, thus, that Mariani's wine was innocuous. But it wasn't. Just how much of a kick did Vin Mariani Deliver? Fortunately, we can hazard a good guess, since a chemist studying various wine cocas reported in 1886 that vin Mariani contained 0.12 grain cocaine per fluid ounce. The dosage on the wine's label called for a "claret-glass full", before or after every meal (1/2 glass for children). Assuming the wine's glass to hold six fluid ounces, three daily glasses would amount to a full bottle of 18 ounces, or 2.16 grains of cocaine per day - enough to make someone feel very good indeed.²⁰

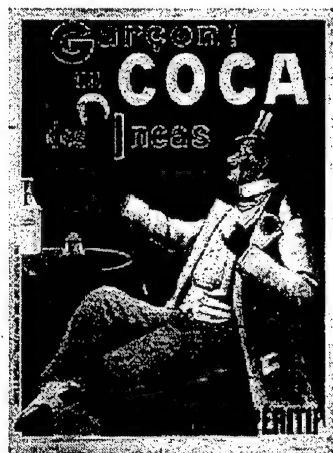


FIGURE 3 MARIANI WINE ADVERTISEMENT

Mariani became quite wealthy and attained great fame as its discoverer. In 1891 he began distributing it in the United States where it became immensely popular within a short period. Mariani's most important market outside Europe was the United States and he took advantage of any opportunity for publicity there. During President of United States Ulysses Grant's final illness in 1885, his physicians administered wine Mariani, which soothed the pain of his throat cancer and was credited with extending his life so that he could finish his memoirs.²¹

But the most important fact was when an Atlanta pharmacist, who developed patent medicines, created a drink from carbonated water, cane sugar syrup, caffeine, and extracts of kola nuts and coca leaves. Enthusiastic and wordy, if not completely grammatical here is an ad Pemberton ran in 1885:

Americans are the most nervous people in the world. "All who are suffering from any nervous complaints we commend to use that wonderful and delightful remedy, French wine coca, infallible incurring all who are afflicted with any nerve trouble, dyspepsia, mental and physical exhaustion. All chronic and wasting diseases, gastric irritability, constipation, sick headache, neuralgia, etc., is quickly cured by the coca wine...coca is a most wonderful invigorate of the sexual organs and will cure seminal weakness, impotency, etc. When all remedies fail to the unfortunate who are addicted to the morphine or opium

habit, or the excessive use of alcoholic stimulants, the French Wine Coca has proven a great blessing, and thousands proclaim it most remarkable invigorate that ever sustained a wasting and sinking system".²² Pemberton wrote that statement, because he was addicted to the morphine habit. Later on, in 1905, Coca - Cola removed cocaine from their drink, Pepsi - Cola followed, because of the increased consumer awareness.

Cocaine is probably the most ancient drug that human beings were using, especially since it stimulates energy. Prussians used to give the soldiers cocaine during those long periods of drilling before the battles. Germans also were trying cocaine. Little use was made of it in Europe, however, until 1883, when a German army physician, Dr. Theodor Ascheenbrandt, secured a supply of pure cocaine from the pharmaceutical firm of Merk and issued it to Bavarian soldiers during their autumn maneuvers. He reported beneficial effects on their ability to endure fatigue.²³ As far as we know Egyptians were the oldest -probably- who used cocaine. In 1992 a German Dr. Svetla Balabanova discovered that the body of Henut Tauai contained large quantities of cocaine and nicotine. Mummy Henut Tauai, belonged to the 21st dynasty of the Pharaohs 3,000 years ago. It was difficult to explain how Egyptians knew about cocaine, because it was proven that before Columbus this was not found anywhere in the world outside of the Americas. Scientists used different techniques, to prove it, and all got the same results. Finally Dr. Rosalie David said: "The ancient Egyptians certainly used drugs. As well as lotus they had mandrake and cannabis, and there is a strong suggestion they also used opium. So, although it is very surprising to find cocaine in mummies, the other were certainly in use".²⁴

Now in the 21st century, the traffickers of cocaine are saying that to chew coca leaves is part of the Bolivian culture. If they want to talk about Bolivian culture, they have to remember that the large population, but minority, are the Aymaras and Quechuas. They originated from the Incas culture. Their culture belongs to the Inca time, and the Inca culture did not certainly allow everybody to chew coca leaves.

Evo Morales is a Bolivian congressman and is the spokesman for six of the seven-coca grower unions. He is the single politician that is always saying that the "cocaleros" will continue growing coca plants because it is a very ancient custom. Morales like many people in the Chapare region came from the mines region. When the mining activity collapsed most of the labor force in the mining activity went to

Chapare, and established a colony. Chapare was a place without a population. Morales came from a poor farm family and worked in a bakery and took up the trumpet as an adolescent, and even became a professional for awhile. He never finished high school, and entered the army. He said that his life was changed in 1978 when he took part in a military action against a march by coca growers protesting a military coup.

There is another variable in the equation, besides the discussion of coca leaves and Bolivian culture; it will be difficult to control, "corruption". From the public service, public interest, and bureaucratic perspectives corruption can be defined as: Any conduct that strays from the normal duties inherent to the interest of public welfare as a result of private interests, be they family, clan, or friendship, to obtain personal benefit in money or social status. Also any violation of the public interest to obtain special advantages, or illicit conduct used by individuals or groups to gain influence over the bureaucracy's actions.²⁵ Corruption is not anymore just a tool for trafficking. Now corruption becomes an alternate strategy. In certain cases, traffickers seek not only the participation of career officials, but also influence in policy-making levels through public posts. This is done through financing political campaigns such as Colombia with President Samper. Mexico and the accusation against Zedillo, Puerto Rico with accusation against congress members and Bolivia with MIR (the party of former president Jaime Paz Zamora, denied a visa to enter the United States because of alleged drug trafficking) are the most notorious, but not the only cases.²⁶

Bolivia has much experience dealing with a trafficker's corruption. In 1984, DEA infiltrated Alejandro Pacheco and Fernando Jaimes' drug ring.²⁷ As a result of this counter narcotic operation, the first large scale Narco-Jet was captured during the final months of Hernan Siles Suazo's government. On April 2, 1985 a plane from a Taurus Company was intercepted carrying 1,161 kilograms of cocaine. In September of 1986 the murder of scientist Noel Kempff Mercado and his traveling companions on the outskirts of a huge cocaine production complex, including a warehouse for a chemical precursors, set off the scandal know as Huanchaca.²⁸ In spite of three investigations the case never was resolved, the Victor Paz Estensoro's government was not able to give a good solution. But as corruption grew up, nobody was able to tell the truth. In addition, Navy Captain Jaime Paredes Sempertegui denounced the institutional protection of drug trafficking during the Huanchaca period.²⁹ The result was that the denouncer was fired.

All the government officials who "didn't keep their mouths shut" about corruption within their institutions were fired.³⁰ But corruption is a big blanket that easily involves all institutions, including the Bolivian Naval Force. The arrest of Captain Pablo "Sacate" Justiniano Vaca, alleged of a network protecting drug traffickers in the Bolivian Navy since 1987, brought the scandal to light. According to later reports, one motive for relieving Gen. Renato Lopez Leyton as General Commander of the FELC was his knowledge of Justiniano's illegal activities and his subsequent failure to take any action.³¹ Later on reporters discovered that Huanchaca's factory was used as a supply base, to supply cocaine to the Navy's Center for Special Operations. The Navy's officers had used this to store cocaine for a very long time. In the middle of the Narco Naval trial, on September 15, 1995, Peruvian police detained a cargo plane from the Bolivian Company "Aerobol" transporting, along with furniture and refined handicrafts, 4,173 Kilograms of cocaine chlorohydrate.³² The mystery in this case is that all the institutions knew about the group that was trafficking for a long time. Even though they knew the time and the date that the plane should take off no institution was concerned about this until the plane had arrived at Lima airport of Peru. Amado Pacheco, who was the boss of the export organization, got a 25-year legal sentence but it was reduced to 13 years due to his repentance and cooperation with the authorities. Many high officers of the government were implicated.

So what should we expect? Since the situation now is a mixture of culture on one hand and corruption on the other, these variables require that the Bolivian congress that they have impunity in operating. Even though Bolivia surpasses the number of coca leaves with eradication, and according to the DEA report, the production of cocaine is higher than other years. Bolivia eradicated a record 28,660 acres of coca fields, or nearly a quarter of the crop fueling the country's cocaine processing industry. This is an important step in taking Bolivia out of the cocaine trafficking circle, "said Bolivian president Banzer"...the government's initial goal, part of agreement with U.S. government was 18,530 acres.³³ This situation is telling us that all the efforts made to eradicate coca plants are in vain. The last scandal report about trafficking happened just recently. The headline of a very reliable newspaper "La Razon" (The reason), was "Mafia pricked Counter Narcotics Special Force. "Marino Diodato is accused of guiding a Narco traffic, laundry of dollars, traffic of weapons and public corruption"³⁴

Marino Diodato is from Italy. He was an Italian police officer between 1978 and 1979 arriving in Bolivia in 1983. He got married to the niece of Hugo Banzer Suarez, President of Bolivia. He has been arrested four times by the Italian police. In 1990 he got into the Bolivian Army and, before this problem, he was promoted to Captain. While working as an adviser of General Iriarte in the government house, he used to run many different big businesses for money laundering. His relationships are at a very high political level.

The argument supported by the "cocaleros" (Indians who are coca farmers) is that to chew coca leaves is part of the Bolivian culture. This is not true any more, because just 14 % of the 7 million are consumers. It is hard to believe that the whole 12,000 hectares of coca plants are consumed by just 14 % of the total population. Besides that, nobody considers that the coca crops have been harvested at least three times a year. This tells us that coca leaves are no longer a part of the Bolivian culture as they used to be. While eradication becomes a big success not only for Bolivia, but internationally also, the cases of trafficking cocaine have increased. Corruption is a very big issue because of this.

Eradication of illegal coca plants is not a problem any more. Now the big issue is that legal coca plants are being used for a cocaine production.

Democracy in Latin America is still weak because the lack of development has a direct effect on democratic institutions because there is no balance between the three branches of the State. Normally in these countries the Executive branch controls the Legislative and Judicial systems. Therefore it is very difficult to expect any oversight such as the impeachment like President Clinton had by the US Congress. Unsolved problems such as education, health and poverty are the resource for the international criminal. Therefore, in Latin America the criminal's favorite activity is trafficking.

DESCRIPTION AND ANALYSIS OF THE BOLIVIAN PLAN "WITH DIGNITY"

The Bolivian Plan "With Dignity", is one part of the Bolivian Strategy for Development "To Live Better", designed by the Banzer government during the period 1997-2002.

Parts of the Strategy "To Live Better"

- Equity

The goal is to end poverty by addressing issues such as education, housing, and health.

- Opportunity

To attain fairer income distribution, and decrease the gap between the rich population and the poor population. This will be achieved by increasing the growth of Gross Domestic Product and exports.

- Institutionally

Here the goal is to get the Bolivian society free from corruption, by reforming and solidifying institutions.

- Dignity

The goal is to get Bolivia free of the coca – cocaine circuit by 2002.

BOLIVIA FEATURES IN THE PRODUCTION OF COCA LEAVES

Unfortunately the Plan "With Dignity" does not address the following features that are very important to consider.

- a. Bolivian law permits domestic use of coca leaves. In other words it is legal to chew coca leaves or to use it for different domestic purposes.
- b. There is no control over the production and distribution of the legal coca leaves.
- c. There is no data available about the domestic and external demand of coca leaves.
- d. There is no data about the amount of coca leaves for industry production and for exporting.
- e. There is no data of cocaine production in Bolivia.

Accordingly with the government of President Banzer, trafficking is considered one of Bolivia's biggest problems. The last decade saw no real progress on the war on drugs. However Narco-traffic is a global issue.

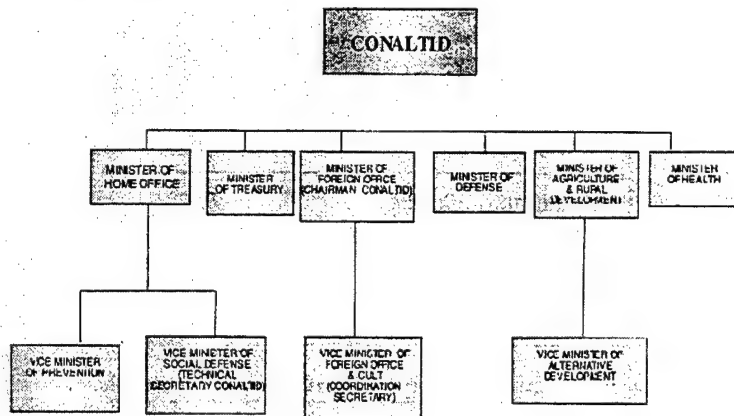
The decision to come out of the coca – cocaine circuit no later than 2002 was reinforced by the resolution of the Legislative branch and also by the actions assumed in favor to reform the Judiciary system. The process to arrive of this decision was a National Dialogue, in which the Bolivian society has expressed the conviction to endorse the Dignity Plan.

NATIONAL BOARD AGAINST ILLEGAL TRAFFIC OF DRUGS (CONALTID – CONSEJO NACIONAL CONTRA EL TRAFICO ILICITO DE DROGAS)

This is the Bolivian agency in charge of fighting against drug traffic, the main goal of this board is to design the Strategy according with the National Policy for fighting the drug trafficking. In line with the coordination of National Authorities CONALTID can be summoned periodically by the Vice President of the Republic.

Performing as a Technical Secretaries are the Vice-Minister of Social Defense and Alternative Development. The Minister of Defense decides the participation of the Military Forces and the Minister of Home Office incorporates the National Police and other agencies in charge of fighting drug trafficking.

CONALTID structure is as follows:



1. Minister of Foreign Office, Chairman of the CONALTID.
2. Minister of Home Office.
3. Minister of Treasury.
4. Minister of National Defense.
5. Minister of Agriculture.
6. Minister of Health.

FIGURE 4 BOLIVIAN BOARD FOR FIGHTING DRUGS

PILLARS OF THE BOLIVIAN "DIGNITY PLAN"

- Alternative development.
- Prevention.
- Eradication.
- Interdiction.

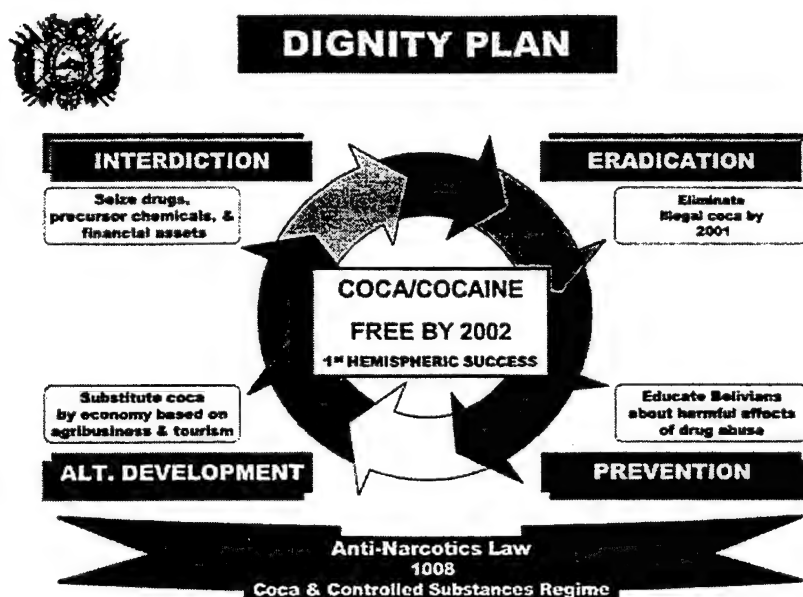


FIGURE 5 PILLARS OF THE BOLIVIAN PLAN "WITH DIGNITY"

FINANCING

Bolivia estimated for the following 5 years a total of US.\$ 952 millions. For alternative development represented 73 %, interdiction 14 %, eradication 11% and 2 % for prevention and rehabilitation.

Programme 1998-2000	US\$ (MILL)	%
Eradication	108	0.11
Alternative development	700	0.73
Interdiction	129	0.14
Global prevention	15	0.02
TOTAL	952	1

TABLE 1 PLAN "WITH DIGNITY" BUDGET

THE ALTERNATIVE DEVELOPMENT

The mission of this pillar is to achieve the integral and sustainable development of areas affected by



FIGURE 6 BOLIVIAN PLAN "WITH DIGNITY"

the coca – cocaine circuit. Furthermore, to reduce the negative economic impact that the eradication of coca bushes plantation may have on the population dedicated to the coca production as well as replacing the portion of national economy generated by the coca and its by products.

Alternative Development addresses a replacement revenue source that would allow the peasants to get the same added

value produced in the coca market. The target population involved in the production of the coca's economy is around 35,000 families, working directly in the coca – cocaine circuit. It is appraised that in 1988, the drug traffic economic impact (coca – cocaine added value) represented around 9 % of the Gross Domestic Product (GDP) and 80 % of the exports. Today, this problem's magnitude is estimated to be approximately 3 % of the GDP and 20 % of the exports. There, the significance ascribed to drug exports, in macroeconomic terms, has reduced significantly.³⁵

OBSTACLES FOR A ALTERNATIVE DEVELOPMENT THAT ADDRESS THE PLAN "WITH DIGNITY"

- Deficient Interrelation between institutional frameworks of national development and alternative development.
- Scarce participation of the population involved.
- Insufficient participation of the private sector.
- Deficient conceptualism of research and transfer technology.
- Problems of market price and trade channels.
- Insufficient financing.

The most important part of this pillar is the "Legal Institutions" that are in charge of accomplishing the goals.

These institutions are:

INSTITUTIONS RESPONSIBLE AT THE OPERATIONAL LEVEL

1. According to law 1788, the Minister of Agriculture, Livestock and Rural Development is the head of the Alternative Development process.
2. The Vice Minister of Alternative and projects of Alternative Development is responsible for framing policies, planning and promoting programs and projects of alternative Development to replace the excess coca economy, and for the fulfillment of law 1088 referred to Alternative Development, and reduction and eradication of coca crops.
3. The General Directorate of Agricultural re-conversion, is the branch office of the Vice Ministry of Alternative Development. This office has two units for operational and administrative tasks. One is the Unit of Field Operations, Statistics, Agricultural and Livestock Administration and the second the Unit of Aerial Mapping.
4. National Alternative Development Fund, in charge of generating, collecting, finance and for the physical – financing and monitoring of alternative development projects. The fund has autonomy for administrative, financial and technical purposes related to Alternative Development in the coca producing zones, population expelling zones and coca potential production zones. The main goal is to reduce the social impact and economic cost of the process of excess coca crop reduction.

INSTITUTIONS RESPONSIBLES OF DECENTRALIZATION AT REGIONAL LEVEL

1. The Regional Alternative Development Program.
2. The Institute of Agricultural and Livestock Technology.
3. The Unit of Local Roads.

There are some policies that are the base for Alternative Development' strategies, plans, programs and projects:

GEOGRAPHICAL AREAS OF INTERVENTION

Considers the following scenarios:

Zones of coca leaf production

According to Law 1008, Bolivia considers the following zones:

- a. Traditional production zones.
- b. Transitional excess production zones.
- c. Illegal zones.

Expelling population zones

These are zones of extreme poverty with low productivity, with frequent dry seasons, and few possibilities to generate non-agricultural income.

Potential zones

These are zones with ecological and agricultural conditions that can accommodate contingents of the population coming from extreme poverty zones such as the coca production areas.

Law of tax Incentives

The goal of this law is to create economic conditions for those entrepreneurs who decide to invest in this zone. It will serve as an incentive for increasing new capital resources for developing the zone. The Bolivian government understands that in order to fight such a profitable business as trafficking it, will require exceptional measures such as a Law for Tax Incentives which it is hoped will expedite investment. However the plan does not address any kind of incentive for the peasants that are already working in the alternative development program, nor for those coca crop producers who in the future will not be allowed to be part of the coca's economy. The problem is not the lack of private investment; the problem is those poor peasants who depend on coca's economy. If the government does not create incentives and economic sustain, they will go back to producing coca crops and the circuit of coca cocaine will never end.

One idea is that United States could create a special agreement with Bolivia, in order to allow the products of alternative development programs to be sold to the United States market. The program

PL480 economically controls most of the programs, and then these products will get all the provisions established through the ISO1400. This is going to be the best incentive for the peasants who are already involved in the production of coca crops.

Outcomes of the Law of Tax Incentives

As a result of the Law of Tax Incentives the Bolivian government is expecting to attain the following six outcomes:

1. The alternative development institutional framework adapted, strengthened, interrelated and coherent with the national institutional framework.
2. Efficient and competitive agricultural and livestock production.
3. Develop a competitive industry, and agro industry.
4. Strengthen other sectors of the national economy.
5. Develop an appropriate infrastructure.
6. Territorial definition based on a legal economy.

PREVENTION AND REHABILITATION

This is considered one of the key pillars for the Bolivian population, because the use of drugs is increasing. Part of the cocaine produced is for satisfying the internal demand. However statistical studies began later during the 80s by Roth and Colleagues association. In 1985 Bolivian Red Cross started applying drug surveys in the principal cities. In 1990 the National Directorate of Prevention and Treatment, Rehabilitation and Social Reintegration of IDU developed plan in order to get data about this issue. A NGO CELIN carried out a broad research in order to get data from the urban schools.

It is very difficult to know the amount of cocaine that is used internally, the "With Dignity Plan" address as follows: In 1992, out of 1000 Bolivian people, 24 had used cocaine or it by – products, at least once per year. In 1996, out of 1000 Bolivian people, 50 had used drugs at least once per year.³⁶ The data shows that the population who tries illegal drugs has doubled.

Vulnerable Groups

Based on studies carried out by CIEC, CELIN CESE and SEAMOS the vulnerable groups are:

1. Children abandoned in the streets, between the ages of 5 to 6 years up to 16 years of age, from low social economic level. (inhalers)
2. Adolescents that come from the former group, plus of the same age but from a higher socioeconomic level (medium and high levels). The drugs used are alcohol, marijuana, and base and coca hydrochloride.
3. Young adults of all social levels. In this group, the type and drug purity level varies due to its cost and geographical zone (alcohol, marijuana, coca leaf alkaloids, hallucinogens)

4. Adults of all social levels whom by the time they reach these ages have higher drug dependence than any other group of age (coca leaf alkaloids, marijuana, etc.)

Law 1008, in its articles 136, 137, 138, 139 and 140, stipulates the difference between traffickers and drug users. This difference is established through diverse measures for one group and the other: for the former group, traffickers in a situation of use, it determines their treatment besides of being legally enforced by the illicit drug trafficking.³⁷

ERADICATION OF ILLEGAL AND EXCESS COCA LEAF

ANTINARCOTICS FUNDING REQUEST



(million US\$)	1999	2000	2001	2002	TOTAL
Anticipated	58.9	52.3	52.2	38.6	202
Requested	29.2	59.2	54.3	39.3	182
Total p/yr.	88.1	111.5	106.5	77.9	384

Since Aug. '97 to Aug. '99:

- 224 tons of HCL bound for the U.S. / E.U. not produced
- 111,601 meters² of coca seedbeds destroyed
- 22,374 hectares of coca eradicated
- DARE enters March 2000
- 105,088 H. legal alternative dev. products (2% of GDP)
- New Code of Criminal Procedure (3/99)

TABLE 2 BOLIVIAN ANTINARCOTICS BUDGET

This pillar address that drug trafficking is based on the excess and illegal coca leaf production and it needs chemical substances for the manufacture of drugs (sulfate and coca hydrochloride). Consequently, it is a problem for the country and for other nations. However the Bolivian plan "With Dignity", it was not made based in study of the coca market, therefore it is very difficult to know how many hectares of coca crops are required to satisfy the internal demand, and the data available is just an estimation. In the last two decades, coca production surpassed by a large margin the production that traditionally was assigned for

mastication, medical uses, cultural and other uses considered legal within the country; supply that can be covered with 12,000 hectares at most. The rest is assigned to illegal transformation processing and thus, considered a production connected to the international business of drug trafficking.³⁸ The analysis does not consider the possibility that traffickers could get the coca leaves from the legal areas or that the production of cocaine will move to those areas allowed, legally to produce coca leaves.

As of the enactment of law 1008 in 1988, the excess and illegal coca leaf cultivated surface has diminished gradually in virtue of the processes of reduction, alternative development and interdiction whose results has turned out to decrease the excess and illegal coca leaf crops and consequently, the drug manufacture.³⁹ Again, the plan does not consider the course of action that traffickers are taking now, that is they move the demand of coca leaves, and by it they keep the same amount of cocaine production. The non- availability of a coca leaf land registers; results in inaccurate information. The lack of suitable and modern control system, between 1986 and 1997, has caused serious difficulties to General Directorate for Agriculture Re- conversion. (DIRECO)⁴⁰

The first approach to solve the problem was the use of the Economic instrument, but the results were temporary. The Bolivian State with the purpose of reducing the volumes of raw material for drug manufacture and in compliance with the statutory clauses provided in Law1008 has used strategy of

economic settlement, direct and individually, per each reduced hectare of coca leaf. In this manner, during the period of 1986 – 1987, the economic settlement began with the direct payment of US\$ 350 per reduced ha, amounting to US\$ 2,000 during years 1988 – 1993, and reaching up to US\$ 2,900 at the present time.⁴¹

The general idea is to apply the economic payment for a hectare of coca crops reduced has made under the assumption that the peasants will move to produce different product, and therefore to implement the law against drug trafficking. DIRECO data indicates that up to date, direct economic settlement has granted around 34,537 coca producers, the total amount of US\$ 85, 128,668. Regretfully, it is estimated that a portion of such resources has been reinvested into the plantation of new coca leaf crops.⁴² The direct economic settlement in exchange for the excess instead of reducing plantations of coca crops has become a promotion for the replacement and expansion of new areas. The immediate effect is the increasing migration into the protected zones of the National Parks, creating diverse social issues to the central government.

The plan "With Dignity" address that the failure in applying the strategy of economic settlement is due to the lack of coordination. The lack of coordination between the programs of interdiction, reduction and alternative development as well as the little continuity regarding interdiction actions allowed coca prices to stay at high levels, making it difficult for the coca leaf producers to participate in the reduction program.⁴³ An evaluation of the economic strategy is that the use of economic instrument was right, but the use of the economic technique was wrong, because instead of pushing the peasants out side of the coca – cocaine circuit, the program was pushing more peasants inside it.

The main factor for the failure of the exchange program money for hectare of coca crop is that the Bolivian State is economically unable to reinforce that policy. Because no institution exists any institution that controls the economic process of the coca production and therefore the lack of data do not permit to know exactly what is happening in the market. Bolivia trusts in the international economic aid to reinforce any policy and strategy in fighting drug production.

Actually the Bolivian government is eradicating the excess of coca crops in the Yungas, and one more time is applying the wrong strategy of economic settlement in exchanging money for hectares of coca crops eradicated. The Bolivian Vice Minister of Interior Regime Jose Orias said that the compensation in the Yungas region would be accordingly with the individual and community payment program for hectare of illegal coca crops eradicated.⁴⁴ The Bolivian Ministry of Agriculture Oswaldo Antezana said on March 18, 2000, about the results attained during 1999, that 16,199 are the total hectares eradicated in the central region of Chapare more than eradicated in 12 years. But recent reports of the Special Forces in Fighting Trafficking (FELC) indicate that traffickers move the operation base from Chapare to the Andes and that coca leaves now coming from the Yungas.⁴⁵

LEGAL FRAMEWORK

All the activities against trafficking are stipulated by the Law on the Regime applicable to the Coca Leaf and Controlled Substances (Law 1008) enacted in July 19, 1988 and its respective regulations contained in Supreme Decree No 22099, dated December 28, 1988.

ZONES OF COCA PRODUCTION

According to Law 1008, Articles 8 to 11, there are three zones of coca production (See figure 3):

Traditional Production Zone

This has been cultivated for traditional uses. The Law 1008 addresses that the zone will be exclusively cultivated with the necessary volume to meet the demand of legal use and consumption. The zone comprises the current small – farm coca production areas in the provinces of North and South Yungas, Murillo, Munecas, Franz Tamayo and Inquisivi located in the La Paz Department and the provinces of Tiraque and Carrasco in the Department of Cochabamba. According to the Bolivian government the amount of coca crops to satisfy the internal demand for domestic uses are 12,000 hectares, however this is just an estimate since there is no available study of the market for coca leaves.

Transitional Excess Production Zone

These zones are the result of a spontaneous or directed settling process due to the expansion of demand of coca crops for illegal activities. This zone comprises the provinces of Saavedra, Larecaja and Loayza in the Yungas region of the La Paz Department and the provinces of Chapare, Carrasco, Tiraque and Arani in the Department of Cochabamba.

Illegal Production zones

In these zones cultivation of coca leaves are prohibited and comprise the whole national territory except the traditional and transitional zones. Law 1008 prohibited plantation of new coca in the rest of the territory and those people that are against the law will be under trial. The existing plantations within these zones will be subject to compulsory eradication without any type of economic settlement.

INSTITUTIONAL FRAMEWORK

The General Directorate of Agriculture Re conversion (DIRECO) is responsible for coca leaves eradication.

Functions of the General directorate of Agriculture Re conversion (DIRECO)

1. Execute coca leaf reduction plans in zones.
2. Provide continuous, systematized and updated information about production, reduced quantities, prices, performance and other, concerning the coca production in Bolivia
3. Formulate and propose strategies and implementation policies for the coca leaf reduction,
4. Carry out the measurement and registration of coca cultivated areas within the coca producing zones.
5. Register and take a census of all farmers that participate in reduction programs.
6. Schedule and perform the economic settlement expenses for the voluntary reduction of coca leaf crops.

7. Draw up certificates in favor of farmers participating in the reduction of coca crops.

Structure of the General directorate of Agriculture Re conversion (DIRECO)

The units for operation and administration of DIRECO are

1. Field operations.
2. Statistics.
3. Agriculture.
4. Livestock.
5. Aerial Mapping.

OBJECTIVES AND OUTCOMES

The Strategy for Reducing and Eradicating Excess and Illicit Coca Leaf Cultivation's has a specific objective and four outcomes

Specific Objective

Is to eliminate coca crops assigned to the manufacture of cocaine within the no traditional zones, in a period of four years between 1998 and 2001. This implies the reduction of approximately 38.000 ha of excess coca crops.⁴⁶

Outcomes

1. Disincentive coca production in excess production zones.
2. Consolidate the development of a legal economy for the excess production zones.
3. Strengthen the operational capacity of the program for coca crops reduction.
4. Modifications in the economic settlements.

INTERDICTION

GENERAL SITUATION

The plan "With Dignity" says that drug trafficking began its expansion in the middle of 1970's, with the opening of cocaine's international market. During the 80's the increased activity of drug trafficking was a horror, the main location was the Chapare region and vicinities. There was no law against trafficking and together with drug activity crime prevailed. If the traffickers murdered some regular citizen no body used to say anything. Traffic of cocaine was a current activity and the coca leaves had a very high price. One way to save money was to invest buying coca leaves, since they do not spoil and they kept their monetary value. Military units and the regular police used to control the main roads for searching coca leaves and cocaine, but this activity was out side the law since by that time Bolivia did not have a law for fighting trafficking. Therefore the dispute between the Military and the police for the control of areas of coca and cocaine production was an issue. Corruption reached the highest levels and the lowest levels of decision.

The coca – cocaine circuit was decisive for the economy as it reached a 9 % of the GDP and almost 80 % of the Bolivian exports.

SOURCES OF CHEMICAL SUBSTANCES

The traffic of controlled chemical substances has three sources:

1. Overseas precursors originally shipped in European and Asian ports.
2. Precursors manufactured in neighboring countries as Argentina, Brazil, and Chile that usually enter as contraband.
3. Substances made in the country, such as kerosene, paraffin, sulfuric acid and ether.

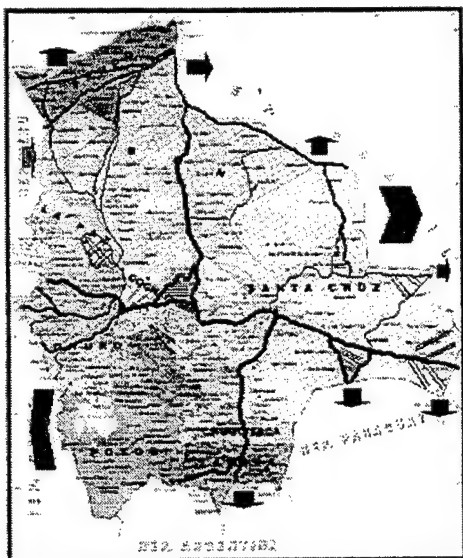


FIGURE 7 ROUTES OF TRAFFICKING

INSTITUTIONAL FRAMEWORK

The Vice Minister of Social Defense is responsible for the interdiction of drug trafficking within the national territory by means of the special force for the fight against drug traffic as well as the General Directorates of Controlled Substances, Coca Commercialization and Property Seizure.

SPECIAL FORCE FOR FIGHTING AGAINST NARCO - TRAFFIC (FELCN)

The FELCN executes policies of interdiction and repression of the manufacture and traffic of controlled substances. It exercises control in the production and manufacture of narcotics, preventing entrance the entering of chemical products and the exit of drug. These actions contribute to reduce the price of coca leaf. The main activities are operational and intelligence actions. The FELC seized an average of one ton of cocaine per month. Up to October 31 of 1997, 10,112 kilograms of cocaine were seized at national level, out of which 9,377 were incinerated.⁴⁷

COORDINATION MECHANISM FOR THE SPECIAL FORCE FOR FIGHTING AGAINST NARCO – TRAFFIC

For those main tasks this force coordinates activities with the following Bolivian agencies:

1. Mobile Unit for Rural Patrol. (UMOPAR)
2. Investigation Group for controlled Chemical Substances.
3. Financial Investigation Unit.

4. General Directorate of Controlled Substances.
5. General Directorate for Agriculture Re - conversion.
6. General Directorate of Seizure Property.
7. Ministry of Health's General Directorate of Medicine.
8. General Directorate of Customs.
9. Bolivian Armed Forces.
10. Bolivian Police.
11. Bolivian Joint Task Force.

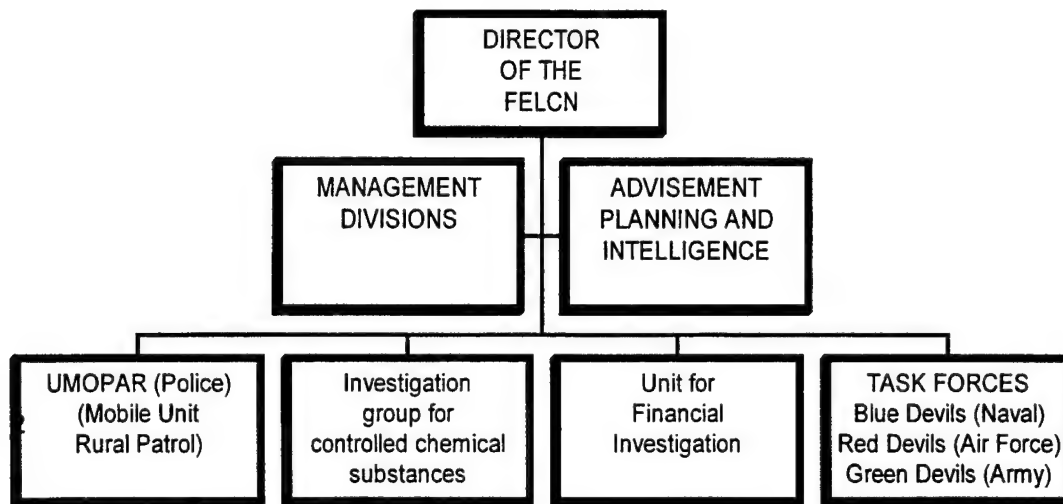


FIGURE 8 FELCN ORGANIZATION

A NEW STRATEGY IN FIGHTING COCAINE TRAFFICKING

Economic control over coca crop production as a Fifth Pillar of the Bolivian Plan "With Dignity"

Eradication is one tool that is working well for reducing illegal coca crops. The location of illegal coca crops is primarily in the Chapare region and also some in the Yungas region. The illegal coca crops will not going to be a problem in the following two years that is supposed that the Plan "With Dignity" will be completed. However the main goal for the Bolivian Plan, that the country will break the circuit of coca – cocaine. That goal is going to be very difficult to attain. Accordingly to ONDCP, INL, & CIA, Bolivia still is a potential producer of cocaine. Even though the eradication process has reduced coca leaf as a raw material close to half of total amount, but cocaine has been reduced only by 50 metric tons. So far, the eradication process has been a real success. We can assume that the demand for coca leaves will move from the illegal regions, already eradicated, to a different region where the coca leaves production is legally allowed. If we apply the economic principle that "every

demand creates its respective supply", we can expect that the Yungas is going to be the next target for the production of cocaine.

Now the problem of how to engage this issue is going to be something that the next Bolivian government will have to face.

	1996	1997	1998	BOLIVIA
Net Coca Cultivation (hectares)	209,700	194,100	190,800	19.90%
Colombia	67,200	79,500	101,800	
Peru	94,400	68,800	51,000	
Bolivia	48,100	45,800	38,000	
Potential coca leaf production (Metric tons)	303,600	263,900	229,900	23.01%
Colombia	53,800	63,600	81,400	
Peru	174,700	130,200	95,600	
Bolivia	75,100	70,100	52,900	
Potential cocaine production (Metric tons)	760	650	555	27.30%
Colombia	110	125	165	
Peru	435	325	240	
Bolivia	215	200	150	

Source: ONDCP, INL, NSC, & CIA (Dec., 1999)

TABLE 3 COCAINE PRODUCTION

There are a few alternatives in order to prevent future contingencies with traffickers. First is to keep with the same policy and continue eradication by the use of military forces. However the Bolivian government will have to face social problems with the peasants, not only with those that are already part of the production process, but also with the 14 % of the Bolivian population that chews coca leaves. The problem becomes worse if we consider that there is no data about how much coca production Bolivian

society needs for the internal use.

The second alternative is to engage the problem by applying the same economic principle that is creating the problem. Specifically this is to push the demand to the lowest level of production. The lowest level of production could be defined as the amount of coca crops that the Bolivian society requires for satisfying the needs for the 14 % of Bolivians who chew coca leaves, satisfying domestic uses and finally, for industry and export.

Applying this alternative requires that the government have reliable data about the quantity of coca crops required to satisfy the domestic use and export of coca crops.

The leverage for reducing the coca crop production could come from taxation. The American cigarette industry offers a model for applying taxes in order to push the demand to the lowest level of production. Using taxation the Clinton Administration attempted to reduce the amount of supply. Because the American cigarette industry was very competitive, this industry had the tendency to expand. The American government was afraid that the prices of cigarettes would continue to decline because of the expansion in the supply of tobacco. As a consequence, the demand could expand to the young population. The American government was also aware of the wars within companies, especially in advertising their product. The target was the young population and the weapon was

television for advertising. The outcome that the government expected was to reduce demand by reducing supply.

In order to apply taxes on the coca leaf production, the Bolivian government must design a plan that will increase the cost of coca production. The taxes of coca leaf production will push the peasants that are involved in the production of coca crops to move to different activities, because they will not be able to afford the production financially.

The production process of any economic activity has the following three basic elements: land, labor force and capital. The economic plan in applying taxes on production of coca crops will target mainly the land. Each hectare crops would be taxed. For this purpose it is necessary to develop additional research which will give the rate of tax that would apply gradually for each hectare.

The Bolivian Military Geographic Institute should determine number of hectares of coca crops and at the same time the identification of those peasants that are the owners of the land in coordination with General Directorate of Agriculture Re-conversion (DIRECO), and with local authorities.

The Bolivian Ministry of Agriculture should develop a program to allow peasants involved in the coca crops production to register their land. Through the registration process, they will declare officially the amount of coca leaves that every peasant produces in each harvest, and the total amount of coca production in the four harvests.

For the distribution and control in the market the Bolivian State should have a monopoly. This means that the 14 % of the population could buy only in those government established coca markets. Currently coca leaves are sold on the open market. The population that chews coca leaves would have a ration for each month and nobody should be able to get more coca leaves than the amount specified by the Ministry of Agriculture.

There are some consequences in the general framework in applying an alternative strategy. First the demand of coca leaves for cocaine production will move to other Andean country, because it is not possible to produce coca crops with a high quantity of cocaine outside the Andean region due to those characteristics that we address before. Second, prices of cocaine will increase. Third, demand of cocaine in developed countries will move to other drug.

Reduction of the corruption as a Sixth Pillar of the Bolivian Plan "With Dignity"

Corruption is a problem not only in Bolivia, but the rate of corruption is very high. There is no a solution that could act as a panacea. It is something like a current flu, it is a variety of forms and. Police and Justice are the most corrupts institutions, due to a very high-centralized control. The head quarters of the Bolivian Police is in La Paz and operationally belongs to the Ministry of Interior. This situation creates a very bureaucratic performance that slows the decision making process in solving any social issue. Bolivia is a quite large country 1,098, 581 k², more or less the size of Texas, Kansas and Oklahoma,

together. Small population around 7.000.000 and the demographic density is the 7 habitants per k². These data gives us a good idea to understand that it is difficult to control and react rapidly in those regions located faraway of La Paz where is located the Police head quarters and the office of the Minister of Interior. Therefore there is only one solution: "To decentralize the Bolivian Police".

The following are some tips to consider for this process:

- Bolivia is divided politically in 9 Departments, each department should control directly the Departmental Police, operationally and administratively.
- It is necessary to democratize the election of Prefects for each Department, currently is appointed by the government.
- Bolivia is considered a multicultural and multiethnic country, therefore the Police should be designed accordingly with the characteristics of each Department.
- The civil society will supervise the behavior of the Police and the entire population will solve any act of corruption. Today's impunity will not be concealed among their members.
- Advantages of the decentralization of the Police.
 1. Great competition within Departments to built the best Police.
 2. Rapid reaction in solving problems.
 3. Planning, Programming and budgeting accordingly with necessities of each Department.
 4. Direct control of Prefect over the Departmental Police.
 5. Elimination of the internal problems of the Police (Striking, no disciplinary behavior, unprofessional demonstrations, etc)
 6. The recruitment process should be within each Department, and the formation in the Police Academy located in La Paz.

The Judicial system in Bolivia is under the process of reform. The authoritarianism, corruption and stodginess of most Latin American legal systems make them, in the words of one expert, "direct descendants of the Spanish Inquisition".⁴⁸ The Bolivian Judicial system illness as many Latin American countries, has the same illness of the Police, bureaucracy is the core of all the privileges, especially among judges. The legal bureaucracies of colonial times centered on subservience to far-off monarchs. Constitutions written after independence from Spain and Portugal enshrined noble ideals that have been subverted, weakened and ignored ever since by dictators and economic elite.⁴⁹ Godofredo Reinicke and other are part of team in reshaping an archaic and arcane system of criminal justice. During the next two years the old process based in the Roman Law that it is mainly written will be changed to the Anglo Saxon way. Trials will consist of oral public arguments instead of secret paper proceedings that today are the source of corruption.

Regardless of the reform process in the judicial system there are many different public activities that are involved in corruption. Perhaps the only way to at least reduce the impact in the national activities would be to open all the accounting books, procurement, acquisition and any public activity to the current

ENDNOTES

- ¹ Schaffer Online Library of Drug Policy "Coca cultivation and cocaine processing" p.1
- ² Schaffer Online Library of Drug Policy "Single Convention on Narcotic Drugs, 1961", p. 22
- ³ Clifford Krauss "Drug battle in Bolivia 'Making History': coca is cut back and could be eradicated"
The New York Times on the Web, May9, 1999.
- ⁴ www.cass.net/~w-dogs/1hist.htm "The history of drugs", p.1
- ⁵ Www.geocities.com/Southbeach/2120/english/coca.html "Hoja verde de la coca", p.1
- ⁶ Edward M. Brecher "The consumers Union report on Licit and Illicit Drugs Part V Chapter 34. Coca leaves" p.1
- ⁷ Ibid.p.5
- ⁸ Jack Weatherford "Indian Givers" Crown Publishers, Inc. New York1988, p. 5
- ⁹ Ibid. p. 5
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